

CHAPTER 6

DELIVERY AND PRODUCTION SCHEDULING

A. GENERAL

1. Diversion of deliveries of items from one customer to another or the rearrangement of delivery schedules among several customers may sometimes be necessary to support urgent certified Program needs. Likewise, the production schedules of a contractor may have to be altered.

2. The DoD has been delegated limited authority under the DPAS to reschedule deliveries as provided in this Chapter. (See DPAS Delegation 1 to the DoD.) This authority should be redelegated by the Heads of the DoD Components and associated agencies to each operating element.

3. Rescheduling authority is limited as follows:

a. Only deliveries of items against contracts or orders assigned priority ratings by the DoD may be rescheduled.

b. Rescheduling action may be taken only when it is determined that urgently required items cannot be delivered when needed unless deliveries are rescheduled.

c. Delivery rescheduling action that would adversely affect the production schedules of other rated orders may not be taken by an operating element.

B. RESCHEDULING DELIVERY

1. The data to be obtained from the contractor shall be restricted in general to that required on Form BXA-999.

2. The decision to reschedule deliveries should be based on all available information, including the effect of the proposed rescheduling on those customers to whom receipt of the items will be delayed.

3. Delivery rescheduling is accomplished by a letter of understanding followed by a contract modification issued by the cognizant contracting Officer, or if necessary, when recommended by OASD(ES), a DoC directive.

C. RESCHEDULING PRODUCTION

1. General

a. While rescheduling the delivery of finished items may relieve temporary shortages, serious problems affecting the delivery of items generally must be resolved at the production scheduling level, before the production of the items.

b. The ASD(ES) may direct a DoD Component to initiate negotiations with a contractor when necessary to reschedule production of items that are essential to meet DoD-certified program needs.

2. Limitations

a. The DoD Components may negotiate changes in production schedules with consenting contractors as provided in this section. However, the negotiating DoD Component may not reschedule production if such action will displace or delay the delivery of any items other than those identified to contracts issued by or on its behalf.

b. Negotiations may be initiated with only one contractor, and not industry-wide, to reschedule production of the selected items within that contractor's facility.

3. Procedure to Reschedule Production

a. Obtain as much information as possible from the contractor on the impact of the proposed production rescheduling on other rated orders.

b. Request SPA if the proposed reschedule of production will impact production and deliveries of items against rated orders not issued by or on behalf of the requesting DoD operating element and customers impacted by proposed reschedule have not agreed to the changes. (See Chapter 5.)

c. Production rescheduling is accomplished by a contract modification issued by the cognizant contracting officer.